Storage

~~295~~

SPAIN

#649
~~1032/605~~

1908-1912 TRANSFER FILE
to Plant

#649

~~1032/605~~

(COPY)

March 3rd.'08

J.Leipold Esq.,
LISBON

dear Mr.Leipold.

I returned from Italy yesterday and at once took up the matter of the Ultramarino notes.

After having carefully studied the figures I find that on the value of 2,500 Eies which constitutes a big bulk of the order I can consent to a reduction of 1/- per 1,000 notes and with regard to a reduction owing the the quantity I find that the estimate was worked out on the basis of each Branch being a separate order. As however there are in this case four Branches being ordered at once which will lead to an economy I also make the offer for this and for future orders that where the total quantity of notes ordered is over 1,000,000 a discount shall be allowed on the invoice of 2½% and where the total quantity ordered is over 2,000,000 the discount shall be 5%. It follows therefore on the present order the reduction I offer will be as follows

1/- per 1,000 reduction on the
2,500 Reis notes = £92 making a total of £9,190
5% off this is a further reduction of
£459 " 459£8.73D

that is to say a total reduction of £51. This is a very large reduction but I am very anxious to obtain the order.

Now as to the paper, you say the total price not speaking of the paper, I may say that our price includes the paper and this will make a great difference in your idea as to the cost.

The remaining item which you question i.e., the moulds at £50 I can only say that this is the exact sum which Messrs Saunders are charging us for the moulds, There are 5 moulds for 5 different sizes and they are made in such a way that the paper can be manufactured as economically as possible.

I sincerely hope that this reduction will lead to us securing the order and with kind remembrances

I remain etc.

Yours faithfully,

(Sgd) P:W:WILKINSON

9

£551

(COPY)

LISBON March 11th'08

P.W.Wilkinson Esq.,
Lonson

Dear Sir:-

I hasten to reply to your last letter which I prese ted to the Bank Ultramarino.

After serious consideration and aft r consulting me three times to answer all their questions I fortunately arrived to a definite conclusion

The order is for 3,000,000 notes divided into 5 branches for these Branches there is still one note more required and the Council of the Bank have destined the sum of £7,500 in which amount are included all the expenses caused for the completion of the said number of notes.

The particulars are to be settled by contracts payments made after each delivery.

The Council ask you to forward the first remittance of 30,000 notes for each Branch up to date of July next

Please let me know your answer by wire

I remain,
Yours faithfully,

(Sgd) J:L:LEIPOLD:

(COPY)

March 17th'08

J.Leipold Esq.,
Lisbon

Dear Mr.Leipold:-

I have to acknowledge receipt of your favour of the 11th and to confirm my cable of today as follows:-

Impossible to supply notes as present design at
price you mention we shall be pleased to supply designs
for cheaper notes to meet Banks views writing fully

The estimate we first submitted was a fair price for the issue but at your request I revised this price and reduced it as much as possible. The offer now made by the Bank is a further reduction of £1,200 the engraving of another value and printing of notes for another Branch amounting to 250,000 notes. If the Bank feel themselves unable to pay the price for the notes as at present designed I can only suggest that we modify the notes in such a way that we can approach more or less the sum they are willing to pay. For example is instead of backs printed direct from steelplate we substitute backs printed from type after the style of their old notes printed by us this would make a very considerable differance in the cost without very seriously affecting the safety of the notes against forgery and I feel sure that with your knowledge of the business you will be able to convince the Bank authorities of the justice of our point of view. I may say that the time you mention is much too short for a properly engraved issue of Banknotes but it is hardly worth while going into this until the important question of price has been settled.

Trusting that you are keeping well etc

I remain

Yours faithfully
(Sgd) P:W:WILKINSON

(COPY)

LISBON:
March 18th'08

My dear Percy:-

Your telegram I received tells me:-

> "Impossible to supply notes as present design at price you mention we shall be pleased to supply designs for cheaper notes to meet Banks views writing fully"

I presented your communication to the Directors and they said "As we have already approved the present designs we prefer to keep them for originals for the engravings, but to show that we are willing to approach as near as possible to this firm we pay for the said 3,000,000 notes £8,000 which cancels our first offer of £7500 but if they insist on their price stated in their letter of the 3rd we prefer not to change our present notes in circulation because we have no urgent necessity of replacing them by the new ones.

Here you have as much as I suggest a reasonable offer and I wish that you find it acceptable if not I am afraid it will break entirely relationship with them which I would consider of value to your future interests.

I assure you that I have done my best and as you are a perfect business man you understand well the difficulties to remose questions of this nature.

I sincerely hope that by your decision everything will be harmonised for satisfaction on both sides

I remain, etc.

(Sgd) J:LEIPOLD:

.Wilkinson Esq.
London.

(COPY)

March 26th. '08

Dear Mr.Leipold:-

Very many thanks for your favours of the 18th and 20th inst. I deeply regret to hear that you are not feeling well and do trust that it is nothing more than a passing indisposition and that the next time you write you will be able to say that you are quite well again.

As Inhave said before I fully appreciate your position in the matter of the Ultramarino Bank and I know perfectly well that you have done everything in your power to harmonise the different opinions held by the Bank and ourselves. I am very disappointed indeed about the whole matter and find it a little difficult to understand exactly the reason the bank are not willing to pay a fair price for their new issue of notes. Of course I understand perfectly they are responsible to other people for the money they spend but the fact that the people who as you say "are not able to judge" should consider the price a "robbery" when the Bank authorities themselves are satisfied that the price is a fair one it is hardly a reason that should prevail. I am sure you will see equally that I too am responsible to those who have interest in this business for showing a profit and that I therefore cannot accept a large order like this at the price the Bank is willing to pay. However I will make a new offer, and that is to accept the contract at the price given by the Bank namely - £8,000 if they on their parts will consent that the backs of the notes shall be printed by typography instead of steelplate.

The extra security offered by plate printing against counterfeiting is of course cobsiderable at the same time, with a plate printing at the face with a security colour printing I do not think there need be any fear. The back could be made quite different from their last issue and therefore there would be no fear of the notes being too similar in appearance. Also I should have to ask the Bank to give us time for the engraving and printing as it would be impossible to work overtime on account of the extra cost of doing so.

For your own information I may add that I should not make this offer if it were not for a Bank communications with whom had been through your goodself. I am of course particularly anxious to keep our good relations with the Ultramarino Bank and it is in the hope of being able to do this that I am willing to do the work as above mentioned at a price I certainly should not think of in the ordinary way. I hope therefore dear Mr.Leipold you will be able to arrange things satisfactorily on this basis.

I remain,
Yours faithfully,
(Sgd) P:W:WILKINSON
Ca: BRADBURY WILKINSON & CO:LTD:

eipold Esq.,
Rua Victor Cordon 37
LISBON.

(COPY)

Lisbon,
30th March 1908

Percy W.Wilkinson Esq.,
London.

Dear Sir I received your favour of the 26th inst and thank you very much for your kind expressions concerning the present state of my health carried on by my advanced age and still too much hard work.

Now let me tell y u my last opinion about your new proposal. I am not inclined to commence again to talk over the same question withhthe Director of the Ultramarino Bank which was already decided when I wrote to you last, because I am afraid they will give me quite a negative answer which would make a quick end of all our endeavours but to prevent them I beg you to accept the conditions in my letter of the 20th

"Nothing can be changed in the notes represented by the approved designs"

I know perfectly that a considerable work must be done and the best hands must be employed to carry out this important order but you ought to keep in your mind what I told you that this order will bring you credit and reputation anywhere in the world, where these notes appear, and also they give you the best specimens for further recommendation.

I do not know whether you find some value in the arguments of removing difficulties of prices and I leave it entirely to your decision.

If you are in accord with me send to me as soon as possible the project of the contract but I beg you not to lose time because the present circumstances here in this Country and almost everywhere in the world requires care and prudence.

I am sorry that I cannot speak with you personally over this matter which puts a certain responsibility on my side.

With kindest remembrances to your good parents and yourself

I remain,

Yours faithfully,

(Sgd) J.LEIPOLS:

to enable me to take the order.

I have really done my best to please you and the Bank Authorities over this matter and spent a great deal of trouble to get the designs modified according to your wishes and as you know I have already had the head of Vasca da Gama engraved by our best Artist and shall be very disappointed if the whole thing falls through and we fail to come to any agreement.

Trusting that you are still continuing to regain your usual good health and strength and with kind remembrances to you and your family

I remain, dear Mr.Leipold,
Yours very sincerely,

.Leipold Esq.,
LISBON:

April 15th. 1908

My dear Mr.Leipold:-

Very many thanks for your favour of the 10th inst., which I was very pleased to receive.

It was very kind of you to go to the Bank and take the trouble you did and I sincerely hope that everything will in the end turn out alright. I will have prepared at once a new design for the 1,000Reis value - front and back - the latter in a style that I propose to use for all the other values instead of the plate printed ones as shewn on the present designs. I will send you at the same time an estimate showing the difference in price between the two printings on all values.

Many thanks for the rough sketch you enclose, it will be very usefull.

Trusting you have entirely recovered your good health and wishing you all a Happy Easter

I remain, Dear Mr.Leipold,
Very sincerely yours,

eipold Esq.,
Rua Victor Cordon,
LISBON:

W.

(COPY)

LISBON:
April 10th'08

y dear Mr.Percy:-

I have duly received your favour of the 6th and in answer I tell you that I again went to the Bank according to your desire re the reduction in prices of the Ultramarino notes.

I only met one of the Directors who could not give any decision but to gain time I proposed to him his giving you immediately the order to proceed with the engravings for the fronts of the different values and to ask you the favour to send soon some designs which you consider good substitutes for the present plate back printings. I consider this way best because they may see more clearly what you propose and their decision for plate or surface printings will be easily obtained. Send me also a fresh estimate to show them now the difference in price between plate and surface printings for the backs of the eight values of notes.

Finally I have to beg you not to lose time in sending me the designs by which I suggest being able to finish correctly the matter

Kind remembrances

I remain,
Yours faithfully
(SGD) JOSEPH LEIPOLD.

Herewith I send you sketch for the 1,000Reis note.

AMARINO BANK: (COPY)

LISBON:
10th May '08

Percy W.Wilkinson Esq.,
London

Dear Mr.Percy:-

I received your letter also the revised estimate and designs but before I speak about this matter I have to tell you that the Bank are in great want of more notes of the 5 and 10 Rupees for their Agencies in Nove Goa, they have received notice per telegram that in the Agencies there exist not one note more of the values, and you must see that this is of the greatest interest to the Bank and I recommend you in the most serious manner that you employ immediately all your best intentions and activity to satisfy this necessity without any delay in the shortest time.

The order is 100,000 notes of 5 Rupees
70,000 10 entirely equal
in printing and colours as the first ones, and same conditions and prices as stipulated in contract of Feb:1st 1908

5 Rupee notes per 1,000 £2:17:
10 " 4: 9:

The Directors recommend me to give them one part of their notes in less than one month and I trust you will do all in your power to give them this satisfaction. Let me know by return of post your resolution.

As to the new notes I give you herewith the total quantities required for the 5 Agencies. Your proposed design for surface printing on the back was entirely rejected, nobody like it, and they prefer to accept your price of £9,500 for the complete execution of the 3,000,000 of notes according to the designs front and back plate printing, already approved.

I ask you the favour to let me know the progress of the work.

I remain,

Yours faithfully

(Sgd) J:LEIPOLD

P.W.

TRAMARINO BANK

(COPY)

LISBON:
16th May '08

Percy W.Wilkinson
London

My dear Mr.Percy:-

I received your answer to my letter of the 10th by wire saying "Many thanks for letter please return designs"

Well as this matter is decided and the difficulties removed I advise you to send me without any delay a sketch for the contract concerning the order of 3,000,000 notes. In the contract you mention also that the Bco Ultramarino has at any time the right to stop partly or entirely the work when circumstances oblige them not to proceed with.

The designs of the vignette representing the fleet of Vasca da Gama passing the Cape of Good Hope shows in the ground some buildings but these must be substituted by rocks

As the new order for rupees is also a considerable one it will be necessary to elaborate an annex contract to the first and I ask you the favour to send me both of them.

All these together is an immense work for you and partly for me, I will be very glad if my health assists me to accompany it as it is necessary till it is finished up.

I sent you the designs on Monday have no time now to say more but I ask you once more the favour to send me regularly proofs of the progress of the work because I must remain constantly in contact with you and also with the Ultramarino Bank.

Waiting for a letter from you
I remain,
Yours faithfully
(Sgd) J:LEIPOLD:

RAMARINO BANK:

(COPY)

May 18th '08

ear Mr.Leipold:-

Confirming my last respects of the 16th inst., I am now writing you in reference to the time of delivery of the 5 and 10 Rupee notes of the Ultramarino Bank. I have gone very carefully into the time necessary for the first delivery and anticipate that it will be the end of July that we shall be able to send you 25,000 of each of the 2 values. As I mentioned to you in my last letter we can do nothing for three weeks while the paper is being manufactured by Messrs Saunders but I needly hardly say that if in the working it is found possible to lessen this time everything shall be done to enable the Bank to have a supply at the earliest possible moment. Please let me know the signatures to be put on these two values in order that there may be no mistake.

With reference to the new order we shall be enabled to commence the engraving as soon as we receive back the designs for which I telegraphed you on Friday.

With no more for today

I remain, dear Mr.Leipold
With compliments, very sincerely yours

(Sgd) P.Wilmot Wilkinson.

DOMESTIC
JUN 27 1908

(COPY)

Lisbon.
12th June '08

My dear Mr.Percy:-

It seems that this matter will never come to an entirely satisfactory end, and here I show you the new difficulties.

Your draft contract for reprinting of Nova Goa notes shows a difference in the price which the Ultramarino Bank do not accept the Bank paid in accordance with the contract of
March 1st'06 for the 5 Rupee notes £2:17 per 1,000
" 10 " 4: 9: "
there is no reason at all to pay more as they already did. Please to correct this mistake.

Further I beg to call your attention to your letter of March 3rd '08 which I translated for them in Portuguese language. You quoted the final price for 3,000,000 notes £8,700 but your draft contract makes it £9,500. They made all their calculations for the expense of the said £8,700 and they declare that they will never pay more as their resolution entered already in their acts of Councils. If I am able to give you advice allow me to recommend you to accept the offered price of March 3rd and then please send me soon the two contracts ready for signature. I beg you will pardon when I tell you that you may make a good profit out of this large order, when you consider well the advantage of the mechanical parts of machine printings. If this order would be for our Bank the matter would be quite different. I intend to leave Lisbon for some weeks next month and it would be a great advantage if everything would go on without any friction during my absence.

Waiting for your reply

I am, dear Mr.Percy

Yours truly

(Sgd) J:Leipold.

DOMESTIC

June 18th.

ear Mr.Leipold:-

Very many thanks for your letter of the 12th inst., I am very sorry that difficulties have again arisen when I thought everything was settled.

First of all, in reference to the reprinting of the notes,for Nova Goa. In your letter of the 10th may in which you forward me the order for 100,000 5Rupee notes and 70,000 10Rupee notes you say same conditions and prices as stipulated in the contract of February 1906 and I may say that in the draft contract you now have for the reprint the prices are absolutely the same :-

For the 5Rupee notes

The price for the printing is	£2:17:	per 1,00
" " " " Signatures	5: 6:	"
" " " "Cameo stamping	2: 6	"
total ...	3: 5: 0:	"

For the 10Rupee notes.

The price for the printing is	4: 9: 0	"
" " " " signatures	5: 6	"
" " " " Cameo stamping	2: 6	"
TOTAL	4:17: 0	"

so that there has evidently been a little misunderstanding as to these prices.

Now as to the price for the bigger order, the price of £8.700 mentioned in my letter of the 3rd March was for 2,725,000 notes and for only four branches, after this the quantity was increased to 2,976,000 Notes and another value note and another Branch were added. In my letter of the 17th March I explained the reasons why the Banks price could not be accepted and suggested the surface backs giving you two quotations, then in your letter of the 10th May you wrote that the proposed designs for surface printings were entirely rejected and that the Bank preferred to accept our price of £9,500 for notes according to designs with front and back plate printed, already approved.

Finally in the draft contract I put the two prices for the exact number of notes ordered for the currency notes and for the sterling notes which were not included in the £9,500 this made up a total of £9,529 but as you informed Mr.Hales that the price of £9,500 could not be exceeded I was quite willing to waive this odd amount and the price then stood at finally at £9,500. I have gone very carefully again into the prices and this is absolutely the lowest price at which it is worth while for me to take the contract. Of course I am very disappointed and regret all the trouble you have taken over the matter as in spite of all the advantages you mention of the mechanical parts and the machine printings it would be impossible to make any profit out of it.

Still hoping that there is a possibility of your

(Copy)

Lisbon June 22nd'08

My dear Mr.Percy:-

I am in possession of your letter of the 18th and am surprised to acknowledge by your additions of prices for 5 and 10 Rupee charging separately for printing signatures and stamping seals. This condition was not declared in the contract and the price mentioned was understood for furnishing the notes all ready and complete. I have not seen the invoice which you sent direct to the Bank but I imagine now that they really paid the price without consulting the contract, if I am right to think so I am sorry to tell you that I am afraid to let them know that the contract was not a complete one and I am sure they will be very angry about it. As you already allowed in your letter 5th June a reduction of 5% and as the number of reprints is much larger than the first one I hope you will not insist upon extra charges. What I cannot understand is when you say "I have not altered the price in the contract" please send me a copy to compare with mine.

About the bigger order and the price of £9,500 I propose you to print the backs of the 2 gold notes by surface and tell me whether with the proposal you are willing to furnish the 2,976,000 notes all complete without any more additions for the price of £8,700 I am waiting for your last determination before I go to the Bank to continue this business which is already for me a very heavy charge and I tell you if it would not be the good and long friendship with your father and the sympathy to his son I would retire my responsibility but the Bank I am afraid would retire their confidence too with which they always distinguished me.

Yours sincerely

(Sgd) J:LEIPOLD

(COPY)

June 26th'08

y dear Mr.Leipold:-

I have safely received your last letter of the 22nd inst. I hope you do not think for a minute that I fail to realize fully your kindness in troubling at all about the affair with the Banco Ultramarino; Indeed I do appreciate it more than I can say and deeply regret the trouble and worry it has cost you. I have done everything in my power to save you any extra worry and with regard especially to the prices I have always brought them as near as possible to meet your wishes and those of the Bank, there must however be a limit and on looking once more very carefully into all the figures I find it impossible to reduce any more the prices quoted, I am referring now to the new order. I may say that it is a low price and one which we should never have given to x any other Bank. However much I want the order and regret it should be lost it is I am afraid impossible to take it at a price showing no profit. The saving on printing the backs of the Gold notes from surface instead of steelplate would be nothing on such a small quantity, namely 34,000 notes or 1 days work and therefore the price of £9,500 must remain unless of course surface printing on the backs is employed on the whole quantity.

Now as to the reprinting of the Nova Goa notes, I am very sorry that any question should arise now as to the price as in order to carry out your urgent wishes to get the notes out as soon as possible for the Bank I have worked hard on this order and of course the notes are well advanced. You say you cannot understand when I say 'I have not altered the price in the contract" my meaning is that the price in the draft contract in your possession, namely, £3:5: for the 5Rupee and £4:17 for the 10Rupee is absolutely the price the Bank paid for their notes on the last occasion we printed them and I feel absolutely confident that they will not now raise the slightest objection as the order was given on the distinct understanding that the prices should be the same and in spite of this I have allowed 5% discount.

In the original contract of March 1906 the prices for the 10Rupee notes was £4:9: and the 5Rupee note £2:17 this you will remember was for unfinished notes. The months after the contract was signed in your letter of 1st June '06 after my visit to you in Lisbon when the question was raised as to the desirability of finishing the notes entirely in London you wrote.

> "I am very glad to let you know that by my influence the Director has consented to the complete finishing of the notes in your offices"

and you gave me full particulars as to the printing of the signatures and the sealing for which we sent you quotations which you wrote accepting and which were duly paid by the Bank. Of course if they wish the notes this time without the signatures and without the seal the prices will be the same as in the old contract for the unfinished notes, I should therefore esteem it a great favour if you would get the draft contract as it stands approved by the Bank as I do not wish for a moment to stop putting forward my best efforts of getting these notes delivered as early as possible knowing in what a hurry the Bank is to obtain them.

Again cordially thanking you for what you have done and with very kindest regards to you and your family

I remain, dear Mr.Leipold,

Yours very sincerely,

BRADBURY WILKINSON & CO:LTD:

Chairman

(COPY)

Lisbon
July 2nd'08

P.W.Wilkinson

My dear Mr.Percy:-

I thank you for your sentiments with your letter of the 26th inst.

As you see by the enclosed documents the Ultramarino Bank finally approve your prices for the Nova Goa notes and African Agencies but I assure you it was only possible to gain the latter after a long and tiresome conference.

It would be of a great advantage if you could before the 20th inst deliver to me the bill of shipping of the 1st portion of Nova Goa notes they are in the greatest hurry to get them.

I intend to leave Lisbon soon after the 20th and please send me the contracts in one of the next days.

No time for more today

Accept the best compliments from

Yours etc.

J:LEIPOLD:

Duplicate

Paris. Aug 30th. 1915.

My dear Warrie:-

I am in receipt of your personal letter of August 17th. with regard to matters in Spain, and as there is an out going mail I hasten to reply without waiting for Claudet's official letter.

I have been writing Claudet very fully but this whole matter seems to me of such importance that it is well worth while to try to show you the situation as I see it even at the risk of repeating.

To our American ideas it is absolutely preposterous and most "fishy" that I should have been in Spain for three months without seeing, or having any opportunity of seeing, any of the principals in this matter. Time and time again I have been filled with most anxious suspicions and have naturally studied and investigated in every way I could. All I could learn leads me to the belief that extraordinery as it seems to us what we are going through is the Spanish way of doing business. Everything is done by influence and pull.

Our Consul General in Barcelona is an unusually high grade man. He knows Mares well and speaks of him as first class as to honesty and honorability. I got on very friendly terms, not to say intimacy, with Mares and de Semir visiting at their homes etc. and therefore had ample opportunity to study them. I believe that they are playing straight with us.

de Semir has shown me the papers in several cases he has put through with the Marquis which papers show that our matter is being handled in proper Spanish fashion and that the Marquis has the power claimed for him.

As for the time required: According to Spanish ideas if we close up this matter this fall we will have done it with great speed.

The money we have paid out was paid out in accordance with another Spanish custom. Of this I am quite convinced. And I feel quite sure that it has gone to where it was intended to go. I also feel quite sure that if we do not land this contract Mares & Co. will not have made a cent. In other words that their only profit will be the commission they will properly and legitemately earn from us.

As matters stood according to latest advices received by me, Mares and de Semir feel absolutely certain of landing the contract for us. Before I left Barcelona they told me that when I returned it would be to sign the contract. I dont think that I mentioned this latter to Claudet as it looked too optimistic and frankly I do not feel as optimistic as Mares and de Semir. Yet I do feel that the chances are in our favor.

As to the Bank matter. Mares and de Semir have heard that there has been a lot of forging. The Marquis tells them that the head of the bank is a personal friend and has expressed to the Marquis a strong dissatisfaction with the present arrangements and a determination to change. Mares and de Semir see an excellent opportunity to put thro' a piece of business which accoring to their ideas would be a good one for the bank, for us and pay them a nice commission. Can you blame them? I dont. They simply want to earn a legitmate and proper commission, and think that we should be just as anxious to get the business as they are, for of course they nothing of our London matters.

Now in all this I may be entirely wrong and they may be fooling me most beautifully. If they are, they are a fine pair of crooks who have devoted a great deal of talent and work to getting very small results, for mind you the only money they would get would be the comparatively small sum I have paid over.

My judgment is that in view of what I have tried to ~~xxpx~~ express to you and in view of the time and money we have already spent on the first matter we had better see it through at least to the extent of my returning to Spain and trying to finish matters up. Mares and de Semir tell me that when I go back I ought to get through in a week or ten days, and have my contract signed in that time. From what I have seen of Spanish business methods I believe that it will take a full month. You cannot hurry them.

In the bank matter I confess that I am greatly puzzled as to what would be our best course ultimately. For the time being nothing need be done as Mares and de Semir have given me their positive assurance to do nothing till I can go home to consult with you. I told them that in such an important matter it would be very very much better to make haste slowly and let me go home first for consultation with you and our various experts. This struck them as logical and proper and they are quite content to wait. Ultimately we will have to do something because they know all about Waterlow and if we decline to act they will go straight to them. In this matter, as I see it now, we can wait till I get home and go over the situation thoroughly. It is slumbering and no harm will be done to let itslumber. Hendriks should of course look out for his fences. Sometimes I fear that Peant may be suffering from an attack of overconfidence.

At first it may stirke you that it is unfortunate that you sent me over here on this particular mission. But I think that second thoughts will cause you agree with me that so far from being unfortunate it is very fortunate because if we had not acted there was a very good chance of Mares and de Semir getting in touch with Waterlow and then there would have been a nice mess.

There is ample time for this letter to reach you before I am likely to be called to Spain. If you do not agree with my plans will you please wire me to Paris and I will of course follow instructions.

With very kind regards, I am,

Sincerely yours,

Louis L. Coudert

Bradbury, Wilkinson & Co., Ltd.

London
to
New York

Subject Spain

W. L. G.
SEP -2 1915

Date Aug. 24th. 1915.

I have to acknowledge receipt of yours of August 13th. enclosing copy of report of Mr. Coudert, dated Barcelona, July 24th.

The Sword of Damocles which Messrs. Coudert, the anonymous marquis, et al, have suspended over the head of B.W.& Co. and the awful vision of losing the Spanish business to New York, has failed to make my flesh creep. I have just returned from a ten days' rest, and during my absence Mr. Coudert has been in London, and even the mysterious hints of the debâcle which B.W.& Co. is about to suffer in Spain, have left me cold and unresponsive. I can only presume that the short rest has re-established my health to such an extent as to enable me to stand the shock. The only facts that we here have to go by are those presented by our representative in Spain, which have already been reported to you.

I had intended last August to make a trip to Lisbon and Madrid, in fact, my passage to Lisbon had been booked, but owing to the outbreak of war, and in order that the business should not suffer on account of the rush in which we found ourselves, and the disorganisation consequent to many of our men joining the colours, this trip had to be postponed, and you will readily understand it is quite impossible for me under the present conditions, to be absent from London for any length of time. Mr. Santini is away indefinitely, and Mr. Wilkinson is not in the best of health, so that if there were no other reasons, such as the English note, to keep me here, it

Subject Spain

Date Aug. 24th. 1915.

would be impossible for me to get away, in order to get first hand judgment of the Spanish situation, and under the circumstances, we in London must rely entirely upon the information furnished us by Mr. Péant, which in view of his connections, which are indisputably good, should be reliable. However, my visit to Spain and Portugal has only been deferred, and I shall make it as soon as circumstances permit, and if Mr. Péant's information is to be relied upon, the postage stamp contract is hardly likely to come to a head prior to such a time.

BRADBURY WILKINSON & Co

MEMORANDUM

As I understand it, the plan of manufacturing the postage stamps, postal cards, letter cards and wrappers by the "Oficina Impresora del Timbre"has as a basis the investment of $400,000.00 - for renovating said plant,- the idea being that the work could be done at a reduction in cost of 20% on the present cost, and the account results as follows, taking $80,000.00 as an average of the actual cost.

Approximate actual cost of the postage stamps etc. under the present arrangement with the firm of Bradbury,Wilkinson & Co.of London		$80,000.00
Approximate cost, according to the ideas of the "Oficina Impresora del Timbre" - or say a reduction of 20% on the present cost	$64,000.00	
Depreciation in the value of the machinery,etc. at 5% on the amount invested of $400,000.00	20,000.00	
Profit on the investment of $400,000 at 6%	24,000.00	
Balance showing a loss in the business		28,000.00
	$ 108,000.00	$108,000.00

(1) BRADBURY,WILKINSON & CO.'S COST AND THE COST AT WHICH THE OFICINA IMPRESORA DEL TIMBRE BELIEVES THE WORK COULD BE DONE.

Experience compels the statement that it is impossible to do the work to which this memorandum refers at a lower price than now charged, as the profit obtained by the firm of Bradbury, Wilkinson & Co. on this work amounts to a relatively small percent, and in spite of the fact that the Oficina Impresora del Timbre believes that said work can be done here cheaper, I - personally believe that this is not possible,and that in so calculating there have not been taken into account the losses, - for depreciation and the profit that should be added to the investment, from the point of view of a real commercial transaction.

(2) DEPRECIATION In this , I have calculated in the above account but a very moderate amount for depreciation, since generally in the majority of printing houses a charge of 10% is added for depreciation of the presses; for accessories, such as motors,etc.etc. the charge can never be less than 25% annually. Therefore, in the account given above the charge shown of 5% on the value of the machinery is really too moderate.

(3) PROFIT , In all business transactions which require the investment of money, it is natural to look for profit on said investment and if it is not found the business can be considered as useless. I have placed the profit on the investment at 6%, because I believe that a lower profit than this would not give a result worth while in an industrial business, which is what this business actually should be.

(4) GENERAL Furthermore, it has been the experience of many governments that it is much cheaper to have its postage stamps,etc. made by commercial houses and not do the work themselves, and as proof of this we have the Government of Great Britain, that of Canada and many other countries. Also, in the year 1907 the American Bank Note Company obtained a contract for the printing of postage stamps from the Government of the United States of America, having bid on this work at a lower price than that of the Bureau of Engraving & Printing and they would have finally gotten this contract had it not been for the ideas of the then President of the United States who, on account of reasons of his own, refused to ratify this contract. Therefore, it can be said that it is the experience of the governments that this class of work can be more satisfactorily obtained from commercial houses doing this line of work.

As to the quality of the work, I do not doubt that you will admit the superiority of the work of the firm of Bradbury,Wilkinson & Co. over that of the revenue stamps made by the "Oficina Impresora del Timbre.

Mexico,January 13,1912.
(signed H L Hendriks.

COPY

MEMORANDUM

Según entiendo, el plan de manufacturar los timbres postales, tajetas postales, tarjetas cartas y fajillas por la Oficina Impresora del Timbre, tiene por base la inversión de $400,000.00. para la renovación de dicha planta, en la inteligencia de que el trabajo se podrá hacer con una reducción en el costo, de 20% sobre el costo actual y resulta la cuenta como sigue, tomando como término medio del costo actual $80,000.00.:

Costo actual aproximado de estampillas de correo, etc., bajo el presente arreglo con la casa de Bradbury,Wilkinson & Co., de Londres		$80,000.00.
Costo aproximado, según las idea de la Oficina Impresora del Timbre, ó sea 20% de rabaja sobre el costo actual	$64,000.00	
Castigo sobre el valor de la maquinaria etc. á 5% sobre la inversión de $400,000.00	20,000.00	
Ganancia sobre la inversión de $400,000 á 6%	24,000.00	
Saldo demostrando la pérdida sobre el negocio		28,000.00
	$108,000.00	$108,000.00

(1) El costo actual de Bradbury,Wilkinson & Co y el costo en que se cree haga el trabajo la Oficina Impresora del Timbre La experiencia obliga á decir que es imposible hacer el trabajo á que me refiero en este Memorandum, á un precio más barato que el actual, pues la ganancia de la casa Bradbury,Wilkinson & Co. en este trabajo es de un tanto por ciento relativamente pequeño; y no obstante que la Oficina Impresora del Timbre cree que dicho trabajo se puede hacer aquí más barato, por mi parte no creo que

sea posible y que al calcular así, no ha tomado en cuenta las pérdidas por depreciación y la ganancia que debe de agregarse á la inversión desde el punto de vista de un verdadero negocio comercial.

(2) Depreciación. En ésto, he calculado la cuenta arriba con una depreciación muy moderada, pues generalmente en la mayoría de las imprentas se agrega un cargo de 10% sobre depreciación en las prensas; para accesorios, como motores, flechas y bandas, el cargo nunca puede ser menor de 25% anual. De manera que en la cuenta arriba formulada, el cargo señalado de 5% sobre el valor de la maquinaria es realmente demasiado moderado.

(3) Ganancia. En todos los negocios que requieren la inversión de dinero, es natural buscar la ganacia sobre dicha inversión y si no se encuentra dicha ganancia, se puede considerar dicho negocio como inútil. Yo he puesto la ganancia sobre la inversión á 6%, porque creo que una utilidad menor de ésta no dará un resultado que valga la pena en un negocio industrial, que es lo que debe de ser este negocio en efecto.

(4) General. Además de ésto, ha sido la experiencia de muchos gobiernos que es más barato mandar hacer sus timbres postales, etc. á casas comerciales y no hacerlos por cuenta de sí mismo; y tenemos como prueba de ésto, al Gobierno de la Gran Bretañia, del Canadá y muchos otros países. Tambien, en el año de 1907 la American Bank Note Company consiguió el contrato para la impresión de timbres postales del Gobierno de los Estados Unidos

de América, habiendo presupuestado este trabajo á un precio más bajo que el de la "Bureau of Engraving & Printing" y hubiera tenido este contrato en firme, si no fue por las ideas del entonces Presidente de los Estados Unidos, quien por razones suyas negó ratificar dicho contrato. Por lo tanto, se puede decir que es la experiencia de los gobiernos que esta clase de trabajo se puede conseguir de mejor satisfacción en las casas de comercio dedicadas á ésto.

En cuanto se refiere á la calidad del trabajo, no tengo duda de que admitirá Ud. la superioridad del trabajo de la casa Bradbury, Wilkinson & Co. sobre el de los timbres de los impuestos, manufacturados por la Oficina Impresora del Timbre.

México, Enero 13 de 1912.

(signed) H. LESLIE HENDRIKS

COPIE

le 6 juillet, 1917.

Cher Messieurs,

Je vous confirme ma lettre du 2 ct. et ma dépêche de ce jour qui dit ?

> Envoyez-moi par dépêche prix actuels timbres postes pour Espagne taille-douce, une couleur suivant vos croquis envoyés il y a quelque temps: fixez tirage nécessarie pour obtenir prix très avantageux -Péant"

Ayant un nouveau ministre des finances et un nouveau représentant du gouvernement à la Compie., Fermière des Tabacs, qui est en même temps chef suprême de la fabrique de la Monnaie, où l'on imprime les timbres poste; et cette personne étant l'ami intime du Ministre et étant moi-même en très bonnes relations avec lui, j'ai engagé une conversation sur cette affaire et sans rien promettre du succés il m'a demandé vos prix et m'a offert de proposer l'affaire au Ministre.

Comme je suis sur le point de quitter l'Espagne, sous peu de jours, et que la santé de Mme. Péant ne me permet pas de reculer mon voyage indéfiniment, je vous ai télégraphié pour dès que j'aurai votre réponse, lancer moi-même l'affaire et si les pourparlers engagés demandaient, plus en avant, ma présence ici, je rentrerai à Madrid pour m'en occuper.

Il existe un projet de refaire la Maison de la Monnaie, avec tous les derniers progrès dans ses diverses branches et naturellement ils visent de reinstaller l'impression taille-douce dans sa plus grande perfection, pour y imprimer les timbres-poste et peut-être les titres de la Dette. Car il est un fait indéniable et c'est que chaque jour l'industrie du pays réclame avec plus de force ces travaux qui se font à l'étranger et qu'ils demandent la protection des pouvoirs publics pour l'implanter en Espagne.

Dans mes conversations avec ces Messieurs, je leur annonce le plus sanglant échec de leurs projets, leur faisant ressortir que les timbres postes étaient la partie la plus difficile de réussir de la taille-douce, vu la question des transports et du perforage et surtout du papier.

Je leur dépeint tous les sacrifices faits par la Banque d'Espagne qu'elle a du mettre de côté et commander ses billets en Angleterre.

Sans connaître votre opinion, la-dessus, et pour dans le cas où cela vous conviendrait, je leur ai dit: pourquoi ne chargeriez vous pas à la maison de Londres de vous monter vos atteliers de taille-douce? Vous leur feriez un contrat pour 10 ou 15 ans et puis le contrat fini ils se retireraient et vous n'auriez qu'à continuer.

Si vous vous souvenez de que me dit le Sous-Gouverneur de la Banque, qui se préocupe tant de la guerre "La Maison Bradbury devrait s'installer ici" il serait peut-être adroit de prévenir toutes ces initiatives et monter à Madrid une maison qui aurait la protection de la Banque, et l'Etat et qui aurait le travail assuré du pays et de toutes les républiques qui parlent sa langue. Le chiffre d'affaires que vous faites actuellement en Espagne qui a une progression qui se manifeste chaque année, est assez important pour que vous fassiez le nécessaire pour ne pas laisser prendre une place, même par l'Etat, qui par votre crédit et par la qualité de votre clientèle, aurait le plus grand enthousiasme, le plus éclatant succés.

Agréez, chers Messieurs, mes salutations distinguées.

(signed) RAOUL PÉANT

Monsieur Raoul Péant
Atocha 39,
MADRID.

Cher Monsieur,

Nous avons bien reçu votre lettre du 6 ct. se référant aux timbres-poste.

En ce qui concerne l'idée de l'installation par nous à Madrid d'une usine laquelle deviendrait après quinze ans la propriété du Gouvernement, il faut toujours penser à ceci, qu'il n'est pas possible qu'une telle usine rende un bénéfice sur le capital, si elle est installée seulement pour fabriquer les timbres poste pour le gouvernement, à moins qu'il n'y aurait beaucoup d'autre travail en taille-douce qui vient de toutes les parties du pays. Naturellement vous me répondrez que nous pourrions y faire les billets de banque aussi, et que les billets, les titres, et les timbres-poste devraient donner le bénéfice nécessaire. Cela se peut en théorie, mais pas en effet; il nous faudrait demander un prix plus élévé pour ce travail faite en Espagne qu'ici, parceque, quoique la main-d'oeuvre se paie moins cher, ce qui est à prouver, il faudrait importer tous les matériaux, et ce qui est le plus important de tout, les frais d'administration péseraient tous sur ce travail pour le gouvernement et pour la Banque d'Espagne, au lieu d'être répandus sur une infinité de grosses commandes venant de tous les quartiers du monde comme il arrive ici. Et en plus, je voudrais vous faire rappeler, vous le savez déjà sans doute, qu'aucune imprimerie gouvernementale rend une bénéfice, si même elle rentre dans ses couts de revient, et ces usines sont presque toujours maintenues, où elles existent, pour des raisons politiques, pour trouver des postes pour des flagorneurs, des partisans, et en déférence à des idées chauvinistiques que tout travail de cette espèce devrait se faire dans le pays même. Comme j'ai déjà dit, ces usines ne sont jamais un succés au point de vue financiel, ceci est bien reconnu, et si vous voulez prendre les chiffres publiés par le gouvernement español, et les traiter de la manière dont j'ai traité un cas pareil au Méxique il y a quelques années, je ne doute pas que vous n'arriverez à un raisonnement pareil. Je vous envoie copies des lettres soumises par moi dans le cas à quoi je me refère. Je vous dirai que celles-ci suffisaient à nous procurer le travail contre les plus fortes representations qu'il devrait se faire par le gouvernement même, qui avait déjà installé tout le nécessaire pour imprimer et fabriquer les timbres fiscaux.

Il y a aussi un autre point à considérer, et probablement le plus important, les machines modèrnes pour imprimer à taille-douce. Toutes les grandes maisons, comme le American Bank Note Co., Waterlow & Sons, et nous, construisent eux-mêmes leurs machines, et la production de ces machines est limitée, car naturellement ces machines modèrnes ne peuvent pas être acheté sur le marché. En plus il y a la question des ouvriers, graveurs, transporteurs, imprimeurs à taille-douce, qui sont très difficiles à trouver. Je sais bien que vous avez près de vous un des meilleurs graveurs, mais il ne peut pas faire lui tout ce travail, et nous n'en avons pas un que nous pourrions envoyer d'ici; quant aux transporteurs, il est presque impossible d'en trouver.

Je vous recommande emphatiquement d'opposer cette idée du Gouvernement español avec toutes vos forces. Comme proposition financielle il n'y a ruen pour eux, et pour nous il n'y aurait rien que la gloire, c.a.d. la marge de bénéfice serait très petite. Il faut aussi vous rappeler que si nous faisons le travail en Espagne cela nous enleverait d'ici des travaux dont nous ne pouvons pas nous en passer dans les temps normales.

Ce qui précède je l'ai écrit au point de vue des conditions après la guerre; pendant la guerre il serait naturellement tout à fait impossible d'installer une usine à Madrid, cela sauterait aux yeux du Gouvernement même.

Je regrette beaucoup d'apprendre que Mme. Péant ne se trouve pas bien, et j'espère qu'elle se remettra bientôt.

Agréez, cher Monsieur Péant, mes meilleures salutations.

TRANSLATION

January 13,1912.

Sr. Don Ernesto Madero,

Minister of Finance and Public Credit,

Present.

Dear Mr.Minister:-

Referring to the interview you were kind enough to grant me, I beg to enclose herewith a memorandum relative to the cost of printing the postage stamps which, I believe, will prove to your entire satisfaction, that on an economic basis it would be much more costly for the Government to print the postage stamps and that, also, it would be better to continue ordering them from the firm of Bradbury, Wilkinson & Co. which I have the honor to represent in this matter, as explained to you verbally.

I most earnestly request you, Mr. Minister, if after studying this matter and you agree with what I have stated in this memorandum, you be so kind as to advise me so that I may take the necessary steps with the Ministry of Communications and Public Works, to obtain an extension of the contract now in force for the supplying of postage stamps.

Awaiting the pleasure of hearing from you, I remain,

Yours, etc.

COPY

Enero 13 de 1912

Sr. Dn. Ernesto Madero,
Ministro de Hacienda y Crédito Público
PRESENTE.

Muy apreciable señor Ministro:

Refiriéndome á la audiencia que tuvo Ud. la bondad de concederme, mando á Ud. adjunto un Memorandum referente al costo de impresión de los timbres postales, el cual creo probará á la entera satisfacción de Ud., que sobre una base económica resulta mucho más costoso para el Gobierno imprimir las estampillas de correo y que, en el mismo sentido, sería mejor seguir pidiéndolas á la casa Bradbury,Wilkinson & Co., la cual tengo el honor de representar en este asunto, como expliqué á Ud. verbalmente.

Suplico á Ud. encarecidamente, señor Ministro, que si después de estudiar este asunto, estuviere Ud. de conformidad con lo que expongo en el memorandum, tenga Ud. la bondad de informarme á fin de que pueda abrir tratos con el Ministerio de Comunicaciones y Obras Públicas, para negociar la extensión del contrato en vigor para el abastecimiento de timbres postales; y en espera de sus gratas líneas y órdenes, me reitero de Ud. su afmo. amigo, atto. S.S.

(signed) H. LESLIE HENDRIKS